

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 8/9/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke RBC Bank Letter of Credit No. 2076 for Magnolia Park Phase I Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 8-6-12

RESOLUTION NO. 12-_____

WHEREAS, RBC Bank issued a certain letter of credit (No. 2076), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to RBC Bank Letter of Credit No. 2076, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 8th day of August, 2012.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 8th day of August, 2012.

Mayor of the City of
Huntsville, Alabama



RBC Bank™

SIW
HT

August 14, 2011

International Services - Standby L/C Unit
200 Providence Rd., 3rd Floor
Charlotte, NC 28207
S.W.I.F.T.: CNTAUS33
Tel.: 704-686-1467 or 704-686-1194
Fax: 704-686-1498
Toll-free: 1-800-938-6299

Amendment to Irrevocable Standby Letter of Credit Number 2076

Beneficiary:

City of Huntsville
P.O. Box 308
Huntsville, AL 35804

Applicant:

Huntsville Parkway Place Properties
2704 Hampton Cove Way
Hampton Cove, AL 35763

RE: Article 5, Sidewalk, Letter of Credit for Magnolia Park Phase I, a Re-Subdivision
of Lot 1, Magnolia Park as Recorded in Document No. 20060824000572480

Gentlemen:

We hereby amend our above referenced letter of credit as follows:

-expiry date extended to August 14, 2012

MS MN
8/22/11 8-22-11

All other terms and conditions remain unchanged.

Sincerely,

RBC Bank (USA)

Glenda A. Martin
Authorized Signature

Claire D. Niven
Authorized Signature

OK KCA
8/22/11

OK
8/22/11



RBC Bank™

S/W
at

August 14, 2010

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All other terms and conditions remain unchanged.

Sincerely,

RBC Bank (USA)

Glenda A. Martin
Authorized Signature

Claire D. Niven
Authorized Signature

OK doc 9/7/10

OK
C218
9/14/10



RBC Bank™

S/W
9/4

August 14, 2009

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City of Huntsville
Box 308
Huntsville, AL 35804

Applicant:
Huntsville Parkway Place Properties
2704 Hampton Cove Way
Hampton Cove, AL 35763

Article 5, Sidewalk, Letter of Credit for Magnolia Park Phase I, a Re-Subdivision
of Lot 1, Magnolia Park as Recorded in Document No. 20060824000572480

Re:lemen:

We hereby amend our above referenced letter of credit as follows:

-expiry date extended to August 14, 2010

Other terms and conditions remain unchanged.

rely,

Bank (USA)

Wanda A. Martin

Authorized Signature

Claire D. Niver

Authorized Signature

OK CEF
9/4/09

AC 8/31/9



RBC Bank™

First American Bank standby letter of credit number 2076 dated August 14, 2007

Dear Sir or Madam:

Effective April 11, 2008 First American Bank merged with an affiliated bank, namely RBC Bank (USA), a North Carolina banking corporation ("RBC Bank") with RBC Bank being the surviving entity. As a result of this merger, the above referenced standby letter of credit is now an obligation of RBC Bank (USA).

RBC Bank (USA) is regulated by the Federal Reserve Bank of Richmond, VA. It is a strong financial institution rated Aa3 / P-1 by Moody's, A / A-1 by S&P's and AA- by Fitch. It is a wholly owned subsidiary of Royal Bank of Canada, the sixth largest bank in North America and the largest longest bank in Canada.

Please amend your records to reflect that henceforth:

Drafts should now be drawn on RBC Bank (USA).

Contacts regarding this standby letter of credit are:

Claire Niven	704 686 1186	Claire.Niven@rbc.com
Kristal McCready	704 686 1194	Kristal.McCready@rbc.com
Glenda Martin	704 686 1467	Glenda.A.Martin@rbc.com
Kenneth Bender	704 686 1489	Kenneth.Bender@rbc.com



First American Bank

IRREVOCABLE LETTER OF CREDIT NO. 2076

Beneficiary:

City of Huntsville
P.O. Box 308
Huntsville, AL 35804

Account Party:

Huntsville Parkway Place Properties
2704 Hampton Cove Way
Hampton Cove, AL 35763

Bank:

First American Bank
100 Church St.
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for Magnolia Park Phase I, a Re-Subdivision of Lot 1, Magnolia Park as Recorded in Document No. 20060824000572480

Amount: \$90,450.00

Issue Date: 8/14/07

Exp. Date: 8/14/09

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective 8/14/07, for a sum not to exceed the aggregate of \$90,450.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to First American Bank.

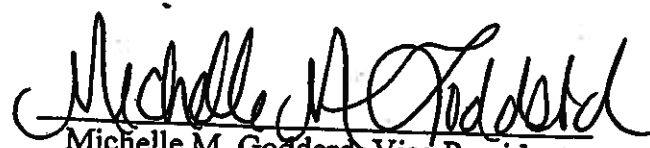
Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.


David Schrimsher, Vice President


Michelle M. Goddard, Vice President

OK OK 8/27/07

OK
2/2/11